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T.R.A. DOCKET ROOM

June 6, 2003

VIA OVERNIGHT MAIL

Sara Kyle, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

RECEIVED

JUN 10 2003

SARA KYLE, COMMISSIONER
TN REGULATORY AUTHORITY

Dear Ms. Kyle:

Enclosed for the Tennessee Regulatory Authority's review is a date-stamped copy of Advantage Cellular Systems, Inc.'s (Advantage) Petition to be Designated as an Eligible Telecommunications Carrier filed with the Federal Communications Commission on May 9, 2003. Also enclosed is a pink copy of this letter. Please date-stamp the letter and return it to my attention in the self-addressed stamped envelope.

If you have any questions or concerns, please contact us.

Sincerely,

Rebecca Murphy

Enclosures

02-01275



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May 9, 2003

VIA HAND DELIVERY

Ms. Marlene R. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

RECEIVED
MAY - 9 2003
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

**Re: Advantage Cellular Systems, Inc.
CC Docket No. 96-45
Petition of Advantage Cellular Systems, Inc. to be Designated as an Eligible
Telecommunications Carrier**

Dear Ms. Dortch:

On behalf of Advantage Cellular Systems, Inc. and pursuant to Section 1.51(c)(1) of the Federal Communications Commission's Rules, enclosed for filing are an original and four (4) copies of the above referenced Petition. Also enclosed is a pink copy of the Petition. Please date-stamp and return this copy to my attention in the envelope provided.

If you have any questions, please communicate directly with the undersigned.

Sincerely,

Rebecca Murphy

Enclosures

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)	
)	
Federal-State Joint Board on)	
Universal Service)	CC Docket No. 96-45
)	
Advantage Cellular Systems, Inc.)	
)	
Application for Designation as an)	
Eligible Telecommunications Carrier)	
in the State of Tennessee)	

To: Wireline Competition Bureau

**PETITION OF ADVANTAGE CELLULAR SYSTEMS, INC. TO BE
DESIGNATED AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER**

**ADVANTAGE CELLULAR
SYSTEMS, INC.**

Caressa D. Bennet
Rebecca L. Murphy
Bennet & Bennet, PLLC
1000 Vermont Avenue, NW
Tenth Floor
Washington, DC 20005
202-371-1500

Its Attorneys

Dated: May 9, 2003

**PETITION OF ADVANTAGE CELLULAR SYSTEMS, INC. TO BE
DESIGNATED AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER**

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**Before the
Federal Communications Commission
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In the Matter of)	
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To: Wireline Competition Bureau

**PETITION OF ADVANTAGE CELLULAR SYSTEMS, INC. TO BE
DESIGNATED AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER**

Pursuant to Sections 214 and 254 of the Communications Act of 1934, *as amended* ("the Act"),¹ Advantage Cellular Systems, Inc. ("Advantage"), a Commercial Mobile Radio Service ("CMRS") carrier, by its attorneys, hereby respectfully requests that the Federal Communications Commission ("FCC" or "Commission") designate Advantage as an Eligible Telecommunications Carrier ("ETC") pursuant to Section 214(e)(6) of the Act.² Advantage seeks ETC status for the partial study areas of BellSouth Telecommunications Inc. ("BellSouth"), Ben Lomand Rural Telephone Cooperative Inc. ("Ben Lomand"), Bledsoe Telephone Cooperative Inc. ("Bledsoe"),

¹ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996). The 1996 Act amended the Communications Act of 1934, 47 U.S.C. § 151, et seq. ("the Act"); *see* 47 U.S.C. §§ 214 & 254.

² 47 U.S.C. § 214(e)(6).

Dekalb Telephone Cooperative, Inc. d/b/a DTC Communications ("DTC Communications"), Citizens Telecommunications Company of Tennessee d/b/a Frontier Communications ("Frontier"), North Central Telephone Cooperative Inc. ("North Central"), and Twin Lakes Telephone Cooperative Corporation ("Twin Lakes"). All of the above listed companies are rural telephone companies as defined in the Act, except BellSouth.³ As explained below, Advantage meets the requirements of the Act and the FCC should grant Advantage ETC status.

I. Advantage's Universal Service Offering

Advantage, with principal offices at Highway 70 West, P.O. Box 457, Alexandria, TN 37012, Telephone (615) 464-2355; Fax (615) 529-1030, was granted authority to conduct business in Tennessee by order of the Tennessee Secretary of State dated December 20, 1990. Advantage is an affiliate of DTC Communications. Wayne Gassaway is the General Manager of Advantage and can be contacted at the above address and phone number. Advantage has obtained authority to transact business in the state of Tennessee as set forth in the provisions of the Tennessee Code Annotated, Title 48, Chapter 11, Part 309.

Advantage is a small B block licensee providing cellular service in rural Tennessee (Cannon, Tennessee RSA 2, CMA644). Advantage intends to obtain Federal universal service support in order to speed the delivery of advanced wireless services to Tennessee's citizens. As an ETC, Advantage will also offer a basic universal service package to subscribers who are eligible for Lifeline support. Advantage expects that its service offering will be competitive with those of the incumbent wireline carriers.

³ 47 U.S.C. § 153(37).

Advantage currently provides all the services and functionalities supported by the Federal universal service program, enumerated in Section 54.101(a) of the Commission's Rules, throughout its wireless service area in Tennessee. Upon designation as an ETC, Advantage will make available to consumers a universal service offering over its wireless network infrastructure, using the same antenna, cell-site, tower, trunking, mobile switching, and interconnection facilities used by Advantage to serve its existing conventional mobile wireless service customers. Advantage will provide service to any customer requesting this service within the designated service area.

II. Advantage Satisfies All the Statutory and Regulatory Prerequisites for Designation as an ETC

Advantage satisfies each of the elements required for ETC designation by the FCC pursuant to Section 214(e)(6) set forth in the *FCC's Section 214(e)(6) Public Notice*,⁴ as shown below.

A. The Tennessee Regulatory Authority Has Provided an Affirmative Statement that It Does Not Regulate CMRS Carriers

As a CMRS carrier, Advantage is entitled to seek designation as an ETC.⁵

Section 254(e) of the Act provides that "only an eligible telecommunications carrier designated under Section 214(e) shall be eligible to receive specific Federal universal

⁴ See *Procedures for FCC Designation of Eligible Telecommunications Carriers Pursuant to Section 214(e)(6) of the Communications Act*, 12 FCC Rcd 22947 (1997) ("*Section 214(e)(6) Public Notice*").

⁵ See *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, *First Report and Order*, 12 FCC Rcd 8776, 8858-59 (1997) ("*First Report and Order*").

service support.”⁶ Pursuant to 47 U.S.C. § 214(e)(6), the Commission may, upon request, designate as an ETC “a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State Commission.”⁷

In the *Section 214(e)(6) Public Notice*,⁸ the Commission established that a carrier must demonstrate it “is not subject to the jurisdiction of a state commission.” In its *Twelfth Report and Order*,⁹ the Commission stated that where a carrier provides the Commission with an “affirmative statement” from the state commission or a court of competent jurisdiction that the state lacks jurisdiction to perform the designation, the Commission would consider requests filed pursuant to 214(e)(6).¹⁰

On March 13, 2002, our office sent a letter to the Tennessee Regulatory Authority (“TRA”) stating that it is our understanding that TRA does not handle requests from CMRS carriers to be classified as an ETC.¹¹ We stated, however, that if our understanding was incorrect and TRA does handle ETC requests, Advantage would file its ETC application with TRA. In response to our letter, TRA staff instructed Advantage to file its ETC application with Sara Kyle, TRA Chairman. Accordingly, Advantage filed

⁶ 47 U.S.C. § 254(e).

⁷ 47 U.S.C. § 214(e)(6).

⁸ *Section 214(e)(6) Public Notice*, 12 FCC Rcd at 22948.

⁹ *See Federal-State Joint Board on Universal Service; Promoting Deployment and Subscribership in Unserved and Underserved Areas, Including Tribal and Insular Areas, Twelfth Report and Order, and Further Notice of Proposed Rulemaking*, 15 FCC Rcd 12208, 12264 (2000).

¹⁰ *In re Federal-State Joint Board on Universal Service, Farmers Cellular Telephone, Inc. Petition for Designation as an Eligible Telecommunications Carrier, Memorandum Opinion and Order*, CC Docket No. 96-45, DA 03-754 (March 12, 2003) (“*Farmers MO&O*”).

¹¹ See attached Exhibit A.

its ETC application with TRA on November 18, 2002.¹² On January 27, 2003, TRA concluded that Advantage “is not subject to TRA authority and therefore cannot be designated as an ETC consistent with Federal Statutes.”¹³ Attached is a copy of TRA’s Final Order concluding that it lacks jurisdiction over CMRS providers like Advantage.¹⁴ TRA has clearly indicated that it does not have jurisdiction over Advantage and therefore cannot designate it as an ETC. The Order states, “[t]he panel noted that the FCC is the appropriate forum for Advantage to pursue ETC status pursuant to 47 U.S.C. § 214(e)(6).”¹⁵ Accordingly, Advantage hereby requests that the FCC designate Advantage as an ETC pursuant to Section 254(c) of the Act.

B. Advantage Offers All of the Services Supported by the Federal High-Cost Universal Service Program

In order to be designated as an ETC, a carrier must be a common carrier and must offer and advertise the supported services throughout the designated service area.¹⁶ Section 254(c) of the Act and Section 54.101 of the FCC’s Rules establish “core” or designated services that are supported by Federal universal service support mechanisms.¹⁷ These core services include:

1. voice grade access to the public switched network;

¹² See attached Exhibit B.

¹³ See attached Exhibit C.

¹⁴ See attached Exhibit D.

¹⁵ See attached Exhibit D.

¹⁶ 47 U.S.C. § 214(e)(1).

¹⁷ See 47 U.S.C. § 254(c); 47 C.F.R. § 54.101.

2. an amount of local usage free of (additional) charge;
3. Dual Tone Multi-Frequency signaling or its functional equivalent;
4. single party service;
5. access to emergency services;
6. access to operator services;
7. access to interexchange service;
8. access to directory assistance; and
9. toll limitation services for qualifying low-income consumers on at least one calling plan.

Advantage offers the entire required "core" services listed above.

According to the *Section 214(e)(6) Public Notice*, a certification that the carrier provides each of the supported services is required.¹⁸ As shown below and in the attached Declaration,¹⁹ Advantage now provides or will provide, upon designation, the required services.

1. Voice-grade Access to the Public Switched Telephone Network. The FCC has concluded that voice-grade access means the ability to make and receive phone calls, within a bandwidth of approximately 2700 hertz within the 300 to 3000 hertz frequency range.²⁰ Advantage meets this requirement by providing voice-grade access to the public switched telephone network. Through its interconnection arrangements with other local

¹⁸ See *Section 214(e)(6) Public Notice*, 12 FCC Rcd at 22948.

¹⁹ See attached Exhibit E.

²⁰ See *First Report and Order*, 12 FCC Rcd at 8810-11.

exchange carriers ("LECs"), all of Advantage's customers are able to make and receive calls on the public switched telephone network within the specified bandwidth.

2. Local Usage. Beyond providing access to the public switched network, an ETC must include local usage as part of a universal service offering. The FCC has not yet quantified a minimum amount of local usage required to be included in a universal service offering, but has initiated a separate proceeding to address this issue.²¹ As it relates to local usage, the *NPRM* sought comments on a definition of the public service package that must be offered by all ETCs. Specifically, the FCC sought comment on how much, if any, local usage should be required to be provided to customers as part of a universal service offering.²² In the *First Report and Order*, the FCC deferred a determination on the amount of local usage that a carrier would be required to provide.²³ Any minimum local usage requirement established by the FCC as a result of the *October 1998 NPRM* will be applicable to all designated ETCs, not just wireless service providers. Advantage will comply with any and all minimum local usage requirements adopted by the FCC. Although the Commission has not set a minimum local usage requirement, in the *Universal Service Order*, the Commission determined that ETCs should provide some minimum amount of local usage as part of their "basic service"

²¹ See *Guam Cellular and Paging, Inc.*, CC Docket No. 96-45, DA 02-174 at ¶ 11 (Jan. 25, 2002); *Federal-State Joint Board on Universal Service, Memorandum Opinion and Order and Further Notice of Proposed Rulemaking*, 13 FCC Rcd 21252 (1998) ("*October 1998 NPRM*"); See 47 C.F.R. § 54.101(a)(2).

²² See *October 1998 NPRM*, 13 FCC Rcd at 21277-21281.

²³ See *First Report and Order*, 12 FCC Rcd at 8813. See also *Western Wireless Corporation*, 16 FCC Rcd 48, 52-53 (2000) ("*Wyoming Order*"); *Cellco Partnership*, 16 FCC Rcd 39, 42 (2000).

package of supported services.²⁴ Advantage will meet the local usage requirements by including a variety of local usage plans as part of a universal service offering.

Advantage's service includes local usage that allows customers to originate and terminate calls within its local calling area without incurring toll charges. For a complete list of Advantage's local calling plans included in its universal service offering, see attached Exhibit F.

3. Dual-Tone, Multi-Frequency ("DTMF") Signaling, or its Functional Equivalent.

DTMF is a method of signaling that facilitates the transportation of call set-up and call detail information. Consistent with the principles of competitive and technological neutrality, the FCC permits carriers to provide signaling that is functionally equivalent to DTMF in satisfaction of this service requirement.²⁵ Advantage currently uses out-of-band digital signaling and in-band multi-frequency ("MF") signaling that is functionally equivalent to DTMF signaling. Advantage therefore meets the requirement to provide DTMF signaling or its functional equivalent.

4. Single-Party Service or its Functional Equivalent. "Single-party service" means that only one party will be served by a subscriber loop or access line as opposed to a multi-party line.²⁶ The FCC concluded that a wireless provider offers the equivalent of single-party service when it offers a dedicated message path for the length of a user's

²⁴ See *Federal-State Joint Board on Universal Service, Report and Order*, CC Docket No. 96-45, 12 FCC Rcd 8776 at ¶ 67 (1997) ("*Universal Service Order*"). Although the Commission's rules define "local usage" as "an amount of minutes of use of exchange service, prescribed by the Commission, provided free of charge to end users," the Commission has not specified a number of minutes of use.

²⁵ 47 C.F.R. § 54.101(a)(3).

²⁶ See *First Report and Order*, 12 FCC Rcd at 8810.

particular transmission. Advantage meets the requirement of single-party service by providing a dedicated message path for the length of all customer calls.

5. Access to Emergency Services. The ability to reach a public emergency service provider by dialing 911 is a required service in any universal service offering.²⁷

Advantage is currently providing Phase I Enhanced 911 service in accordance with the Commission's rules.²⁸ Phase II Enhanced 911 ("E911"), which is required of certain CMRS carriers, includes the capability of providing both automatic numbering information ("ANI") and automatic location information ("ALI"). Unlike traditional wireline emergency services, Phase I and Phase II emergency services provide customers with a public safety benefit *away* from their homes. Advantage has implemented Phase I and currently provides all of its customers with access to emergency service by dialing 911. Further, Advantage has implemented a network-based Phase II system in its service area and is testing it with its local public safety answering point ("PSAP"). Advantage's Phase II application is predicted to meet the FCC's Phase II accuracy standards provided the E911 calls placed by its customers fall within a predicted statistical range of coverage and will provide Advantage's universal service customers with the added benefit of location-based safety.²⁹ By providing Phase I E911 service, Advantage not only meets, but exceeds the Commission's universal service requirement to provide access to emergency service.

²⁷ See *id.* at 8815-17.

²⁸ See 47 C.F.R. § 20.18(d).

²⁹ Advantage operates in a single geographic service area and therefore cannot guarantee that E911 calls placed at the fringe of its territory will meet the Commission's accuracy requirements.

6. Access to Operator Services. Access to operator services is defined as any automatic or live assistance provided to a consumer to arrange for the billing or completion, or both, of a telephone call.³⁰ Advantage meets this requirement by providing all of its customers with access to operator services provided by DTC Communications.

7. Access to Interexchange Service. An ETC must offer consumers access to interexchange service to make and receive toll or interexchange calls. Advantage currently meets this requirement by providing all of its customers with the ability to make and receive interexchange or toll calls through direct interconnection arrangements Advantage has with several interexchange carriers ("IXCs").

8. Access to Directory Assistance. The ability to place a call to directory assistance is a required service offering.³¹ Advantage meets this requirement by providing all of its customers with access to directory assistance by dialing "411" or "555-1212."

9. Toll limitation for qualifying low-income consumers. An ETC must offer either "toll control" or "toll blocking" services to qualifying Lifeline customers at no charge. The FCC no longer requires an ETC to provide both services as part of the toll limitation service required under Section 54.101(a)(9) of the FCC's Rules.³² In particular, all ETCs must provide toll blocking, which allows customers to block the completion of outgoing toll calls.³³ Advantage currently has no Lifeline customers because only carriers

³⁰ See *First Report and Order*, 12 FCC Rcd at 8817-18.

³¹ *Id.* at 8821.

³² See *Universal Service Fourth Order on Reconsideration in CC Docket No. 96-45, Report and Order in CC Docket Nos. 96-45, 96-262, 94-1, 91-213, 95-72*, 13 FCC Rcd 5318 (1997).

³³ *First Report and Order*, 12 FCC Rcd at 8821-22.

designated as an ETC can participate in Lifeline.³⁴ Once designated as an ETC, Advantage will participate in Lifeline as required, and will provide toll blocking capability in satisfaction of the FCC's requirement. Advantage provides toll blocking services for international calls and customer selected toll calls.

Accordingly, Advantage currently has the technology to provide toll blocking and will use this technology to provide the service to its Lifeline customers, at no charge, as part of its universal service offerings.

C. Advantage Will Offer Supported Services Through Its Own Facilities

A carrier requesting designation must certify that it offers the supported services "either using its own facilities or a combination of its own facilities and resale of another carrier's services."³⁵ Advantage will provide the supported services using its existing network infrastructure, which includes the same antenna, cell-site, tower, trunking, mobile switching, and interconnection facilities used by the company to serve its existing customers.

D. Advantage Will Advertise Its Universal Service Offering

Pursuant to Section 54.201(d) of the FCC's Rules, Advantage plans to advertise the availability and price of its universal service offering which comports with the core list of universal service requirements throughout the area in which it is designated as an

³⁴ See 47 C.F.R. §§ 54.400-415.

³⁵ 47 C.F.R. § 54.201(d)(1).

ETC.³⁶ Recently the Commission stated that, “[b]ecause ETCs receive universal service support only to the extent that they serve customers, we believe that strong economic incentives exist, in addition to the statutory obligation, to advertise the universal service offerings in the requested service area...”³⁷ In order to fulfill the statutory obligation and because of strong economic incentives, Advantage will advertise using, at a minimum, publication in eleven newspapers of general circulation including *The Cannon Courier*, *The Carthage Courier*, *The Expositor*, *The Journal*, *The Grundy County Herald*, *The Manchester Times*, *The Middle Tennessee Times*, *The Mountain View*, *The Smithville Review*, *The Southern Standard*, and *The Tullahoma News*, throughout the partial service areas of BellSouth, Ben Lomand, Bledsoe, DTC Communications, Frontier, North Central, and Twin Lakes or by other means as management may direct using good business practices and such guidance as the FCC has or may establish.

III. Advantage Requests Designation Throughout Its Licensed Service Area in Tennessee

Advantage is a CMRS carrier as that term is defined in Section 20.3 of the Commission’s Rules. Advantage operates a state-of-the-art wireless CMRS network throughout the partial study areas of BellSouth, Ben Lomand, Bledsoe, DTC Communications, Frontier, North Central, and Twin Lakes. Advantage offers a variety of calling plans to approximately 10,500 existing customers. Advantage serves an area of

³⁶ 47 C.F.R. § 54.201(d).

³⁷ *In re Federal-State Joint Board on Universal Service, Farmers Cellular Telephone, Inc. Petition for Designation as an Eligible Telecommunications Carrier, Memorandum Opinion and Order* at ¶ 11, CC Docket No. 96-45, DA 03-754 (March 12, 2003) (“*Farmers MO&O*”).

incumbent LEC in whose service territory Advantage seeks ETC designation determined that such disaggregation was unnecessary.

Next, the Joint Board urged the Commission to consider the rural carrier's special status under the Act.⁴³ In deciding whether to award ETC status to Advantage the Commission will weigh numerous factors to determine how the public interest is affected by an award of ETC status pursuant to Section 214(e)(1) of the Act.⁴⁴ Congress mandated this public interest analysis in order to protect the special status of rural carriers in the same way it established considerations for rural carriers with regard to interconnection, unbundling, and resale requirements. Accordingly, if the Commission finds that Advantage's ETC designation is in the public interest, it has duly recognized the special status of the rural carrier for purposes of determining whether Advantage's service area designation should be adopted for Federal universal service funding purposes. Advantage demonstrates that a Commission designation of Advantage as an ETC furthers the public interest in a later section of this petition.

Last, the Joint Board recommended that the FCC consider the administrative burden a rural LEC would face by calculating its cost on a basis other than its entire study area.⁴⁵ In the instant case, Advantage's request to define its service area along boundaries that differ from rural LEC study area boundaries is made solely for the purpose of ETC designation. Defining the service area in this manner will not impact the way the affected rural LECs calculate their costs. It is solely to determine the

⁴³ *Recommended Decision*, 12 FCC Rcd 87 at ¶¶ 172-174.

⁴⁴ In the next section of this Petition, Advantage will demonstrate that its designation as an ETC is in the public interest.

⁴⁵ *Recommended Decision*, 12 FCC Rcd 87 at ¶ 174.

geographical area in which Advantage is to be designated as an ETC. Definition of Advantage's service area as proposed in the Petition will not impose any additional burdens on rural LECs. Accordingly, Advantage respectfully requests that the FCC designate it as an ETC throughout the proposed ETC service area.⁴⁶

V. A Grant of this Petition Will Serve the Public Interest

Because Advantage is seeking designation in areas served by rural LECs, the FCC must consider public interest factors prior to designating Advantage as an ETC. The FCC has often recognized the competitive advantages that wireless carriers bring to underserved or rural areas when providing universal service. Recently the FCC granted Petitions filed by Farmers Cellular Telephone, Inc. ("Farmers"),⁴⁷ RCC Holdings ("RCC"),⁴⁸ and Cellular South License, Inc. ("Cellular South")⁴⁹ to be designated as an ETC. The Commission found that designating these carriers as ETCs would serve the public interest, stating "[a]n important goal of the 1996 Act is to open local telecommunications markets to competition."⁵⁰ The Commission has held that designation of qualified ETCs promotes competition and benefits consumers by

⁴⁶ See attached Exhibit G.

⁴⁷ See *Farmers MO&O*.

⁴⁸ *In re Federal State Joint Board on Universal Service; RCC Holdings, Inc. Petition for Designation as an Eligible Telecommunications Carrier Throughout its Licensed Service Area in the State of Alabama*, Memorandum Opinion and Order, CC Docket 96-45 (rel. Nov. 27, 2002).

⁴⁹ *In re Federal State Joint Board on Universal Service; Cellular South License, Inc. Petition for Designation as an Eligible Telecommunications Carrier Throughout its Licensed Service Area in the State of Alabama*, Memorandum Opinion and Order, CC Docket 96-45 (rel. Dec. 4, 2002).

⁵⁰ *In re Federal State Joint Board on Universal Service; RCC Holdings, Inc. Petition for Designation as an Eligible Telecommunications Carrier Throughout its Licensed Service Area in the State of Alabama*, Memorandum Opinion and Order at ¶ 23, CC Docket 96-45 (rel. Nov. 27, 2002).

increasing consumer choice, encouraging innovative services, and introducing new technologies.⁵¹ Designating Advantage as an ETC will allow customers in rural Tennessee to choose service based on pricing, service quality, customer service, and service availability. Advantage offers mobility, enhanced access to E911, expanded calling scopes and several calling plans to allow customers to purchase plans that fit their telecommunications needs.

The FCC has recognized the advantages wireless carriers can bring to the universal service program. In particular, the FCC found that “imposing additional burdens on wireless entrants would be particularly harmful to competition in rural areas, where wireless carriers could potentially offer service at much lower costs than traditional wireline service.”⁵² One of the most important goals of the Act is to “promote competition and reduce regulation in order to secure lower prices and higher quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies.”⁵³ Competition reduces prices and promotes the development of advanced communications as carriers vie for a consumer’s business. In its recent decision to designate Guam Cellular and Paging, Inc. (“Guamcell”) as an ETC in the territory of Guam, the FCC found that the designation of Gaumcell as an ETC in the area served by the rural telephone company in Guam would promote “competition and the provision of new technologies to consumers in high-cost and rural areas of Guam.”⁵⁴

⁵¹ *Id.*

⁵² *First Report and Order*, 12 FCC Rcd at 8881-8882.

⁵³ Telecommunications Act of 1996, Public Law, 104-104, 100 Stat. 56 (1996).

⁵⁴ *See Guam Cellular and Paging, Inc.*, CC Docket No. 96-45, DA 02-174 at ¶ 15 (Jan. 25, 2002).

Advantage will use its Federal universal service support for construction, maintenance and upgrading of facilities serving rural areas for which such support is intended. The terrain in middle Tennessee presents particular challenges to wireless carriers. The terrain in middle Tennessee is generally comprised of tree covered rolling hills that require careful engineering and more towers than those required in flatter, treeless areas. In addition, as Advantage upgrades its network and facilities to provide third-generation digital services to enhance the speed and quality of its universal service offerings, even more towers will be required.

The Commission has promoted wireless E911 as an important public policy goal and with good reason. While traditional wireline 911 is obviously quite valuable, it is limited to those situations where the consumer is actually near a wireline telephone. Since many accidents occur away from home (including all auto accidents), making wireless E911 available for consumers when they are away from home is critical. As the Commission is no doubt aware, E911 upgrades are expensive and Advantage will have to recover the ongoing costs related to E911 from its customers.

Next, Advantage believes the public interest is served by encouraging expanded local calling scopes and reduction or elimination of per-minute toll charges to customers calling within their communities of interest. As an initial matter, Advantage offers "an amount of local usage free of (additional) charge". While all of Advantage's qualifying calling plans satisfy this requirement, Advantage offers several popular calling plans that include state-wide and/or nation-wide toll free calling with an additional 3,000 minutes available for night and weekend use. As shown in attached Exhibit H, customers can begin saving money in the use of such calling scopes if they currently make as little as

245 intrastate toll calls a month.⁵⁵ If consumers subscribing to the lowest priced state-wide calling plan use only 20% of their total (3,400 MOU) available monthly minutes for toll calling (680 toll minutes), their savings can be significant, amounting to \$30.55. Exhibit H also demonstrates that when purchasing more nation-wide "anytime" minutes at a higher price, customers will save \$58.15 when they use the service in a combination of "anytime" and "nights and weekend" calling where 40% of the calls are toll.

The positive impact of Advantage's calling plans, and other wireless carriers' wireless calling plans, on consumers is demonstrated by recent pricing decisions by several telecommunications companies in response to competition. SBC recently decided to offer a calling plan with unlimited monthly toll usage for an additional \$20.⁵⁶ The April 2, 2003 Internet edition of the *Dallas Morning News* quotes Imran Khan, an analyst with research firm Frost & Sullivan: "[o]nce wireless changed the consumer perception where they didn't see any kind of difference between local calls and long-distance, these wireline companies were compelled to come up with these plans... They are facing such a level of competition that they don't have a choice but to offer this stuff."⁵⁷ The article attributed AT&T's introduction of its \$19.95 unlimited plan when calling other AT&T customers and MCI's Neighborhood plan offering unlimited local and toll calling for about \$60 to wireless competition. Clearly, consumers are being offered new and innovative calling plans and local calling scopes that are the direct result of the Commission's pro-competitive policies and, more specifically, the calling plans offered

⁵⁵ See attached Exhibit H.

⁵⁶ See "SBC is latest to offer unlimited long-distance calls", *Dallas Morning News* Internet Edition, April 2, 2003, <<http://www.dallasnews.com/business/technology/stories/040203dnbusdistance.37db8.html>>; attached hereto as Exhibit I.

⁵⁷ See <<http://www.dallasnews.com/business/technology/stories/040203dnbusdistance.37db8.html>>.

by wireless carriers. Supporting Advantage's enhanced calling scopes is consistent with the Commission's stated goals of using universal service support to encourage carriers to compete through the offering of innovative services, and thus Advantage should be designated as an ETC.

Finally, without the universal service program, it is unlikely that many rural areas would have wireline telephone service even today. In most rural areas, wireless cannot be counted on as a potential replacement for wireline service unless universal service support is made available to drive infrastructure investment. Numerous published sources indicate consumers are increasingly "cutting the cord" and wireless service is the only telephone service used by 3-5% of the population. According to the Cellular Telecommunications and Internet Association's ("CTIA") website on May 6, 2003, there are over 145 million customers subscribed to wireless services.⁵⁸ As stated above, Advantage serves over 10,000 customers. Clearly, customers recognize the value wireless service offers. If wireless services in rural areas are to replace wireline service, then universal service support is as important and perhaps more important to wireless providers compared to wireline providers.⁵⁹

It is increasingly challenging to finance the infrastructure necessary to ensure even more robust call quality that consumers expect of the wireline LECs. Thus, if wireless service is widely adopted, even in rural areas, and if the universal service program is to be "competitively" and "technologically" neutral, then it is in the public interest for Advantage to receive universal service support. Since Advantage is serving the same population in the same geographic area as the incumbents with the same low

⁵⁸ See CTIA's website, www.wow-com.com.

⁵⁹ See attached Exhibit I.

customer density and associated high per-customer costs, and Advantage also must address its own terrain coverage challenges, it is in the public interest to designate Advantage as an ETC.

Provision of universal service support to Advantage will make available for the first time a potential competitor for primary telephone service in remote areas of Tennessee. By designating Advantage as an ETC, the FCC will further the benefits of competition, including increased choices, increased public safety, higher quality service, and lower rates for consumers in rural Tennessee.

The public-interest standard under Section 214(e)(2) for designating ETCs in territories served by rural telephone companies emphasizes competition and consumer benefit, not incumbent protection. In considering the impact that Western Wireless' ETC designation would have on rural telephone companies, the Commission said, "[w]e believe that competition may provide incentives to the incumbent to implement new operating efficiencies, lower prices, and offer better service to its customers."⁶⁰ The pricing decisions of SBC, AT&T and MCI, as cited herein demonstrate the Commission's belief was well founded. Advantage believes that the benefits of competition will also accrue to its rural customers. Congress has also mandated that universal service provisions be "competitively neutral" and "necessary to preserve and advance universal service."⁶¹ Designating Advantage as an ETC would give advanced telecommunications options to those living in Tennessee's rural areas.

⁶⁰ *Wyoming Order*, 16 FCC Rcd at 57.

⁶¹ *See* 47 U.S.C. § 253(b).

Advantage has already implemented a variety of service offerings and rate plans that will be competitive with incumbent service offerings and affordable to Tennessee's consumers.⁶² Advantage commits that its local calling area will be at least as large as that of the ILCs referenced herein and in most cases its local calling area will be

substantially larger which will reduce intra-LATA toll charges typically associated with wireline service. Advantage has already implemented E911 services in compliance with all state and Federal requirements, which will improve public safety in rural Tennessee. Advantage will also offer LifeLine and LinkUp services to qualifying low-income consumers consistent with Federal and state rules, regulations and guidelines.

As stated above, the Commission must consider whether the competitive carrier is attempting to "cream skim" by only proposing to serve the lowest cost exchanges.⁶³ As a wireless carrier, Advantage is restricted to providing service in those areas where it holds a license issued by the FCC. Advantage is not picking and choosing the lowest cost exchanges, rather Advantage has based its ETC request solely on its licensed service area and proposes to serve its entire service area.

Advantage submits that it has demonstrated its ability to fulfill its obligations as set forth in this instant Petition for certification as an ETC. Advantage respectfully submits that its request to be designated as an ETC serves the public interest, convenience, and necessity for all the reasons stated herein and as required by Section 214(e)(6).

⁶² See attached Exhibit H.

⁶³ *Recommended Decision*, 12 FCC Rcd 87 at ¶ 174.

VI. High-Cost Certification

Under Sections 54.313 and 54.314 of the FCC's Rules, carriers wishing to obtain universal service support must either be certified by the appropriate state commission or, where the state commission does not exercise jurisdiction, self-certify with the FCC and USAC as to their compliance with Section 254(e) of the Telecommunications Act of 1996.⁶⁴ As explained above, the TRA does not exercise jurisdiction over CMRS carriers such as Advantage. Therefore, in accordance with Sections 54.313(b) and 54.314(b), Advantage submits its universal service certification with this petition and upon Commission designation as an ETC will submit this and all required certifications to USAC.⁶⁵ Advantage respectfully requests that the Commission issue a finding that Advantage has met the universal service certification requirement and that Advantage is, therefore, entitled to begin receiving universal service support as of the date it receives a grant of ETC status in order that funding will not be delayed.

VII. Anti-drug Abuse Certification

Advantage certifies that no party to this Petition is subject to a denial of Federal benefits, including FCC benefits, pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.⁶⁶

⁶⁴ 47 C.F.R. §§ 54.313, 54.314.

⁶⁵ A copy of this certification is attached hereto as Exhibit J.

⁶⁶ See attached Exhibit L.

VIII. Conclusion

As stated above, the FCC has recently granted petitions filed by Farmers, RCC, and Cellular South to be designated as an ETC throughout their licensed service areas in Alabama. Advantage requests that, pursuant to Commission precedent, the FCC grant Advantage ETC status and allow it to qualify for universal service support.

Because Advantage meets the requirements of Sections 214 and 254 of the Act, as well as the Commission's Rules implementing the Act, and Advantage's ETC application is consistent with the public interest, convenience, and necessity, the FCC should grant Advantage ETC status and allow it to qualify for universal service support within the requested service area. Advantage also submits that an expedited grant of this application is in the public interest, convenience, and necessity and consistent with Sections 214 and 254 of the Act.

Respectfully submitted,

ADVANTAGE CELLULAR SYSTEMS, INC.

By: _____

Caressa D. Bennet
Rebecca L. Murphy
Bennet & Bennet, PLLC
1000 Vermont Avenue, NW
Tenth Floor
Washington, DC 20005
202-371-1500
Its Attorneys

May 9, 2003

Exhibit A
Letter to TRA

Law Offices of
Bennet & Bennet, PLLC
1000 Vermont Avenue, N.W., 10th Floor
Washington, D.C. 20005

Tel: (202) 371-1500
Fax: (202) 371-1558

e-mail: mail@bennetlaw.com
http://www.bennetlaw.com

March 13, 2002

Richard Collier, Chief Counsel
Legal Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Dear Mr. Collier:

It is our understanding that the Tennessee Regulatory Authority (TRA) does not handle requests from commercial mobile radio service (CMRS)¹ carriers to be classified as an eligible telecommunications carrier (ETC)² for purposes of collecting universal service. If TRA does not handle ETC requests, Advantage Cellular Systems, Inc. (Advantage) will file its ETC request with the Federal Communications Commission (FCC). Could you please confirm in a letter whether Advantage should file its ETC request with the FCC or TRA.

If, in fact, TRA handles ETC request, could you please advise us of the proper procedures to make such a request. Thanks for your quick consideration and please contact me if you have any questions.

Sincerely,

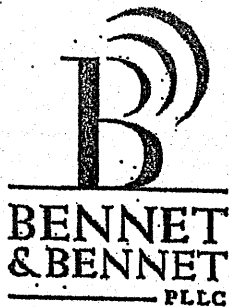
Re. Ad

Ken Johnson

¹ Regulated pursuant to 47 U.S.C. § 332(c)(1).

² See 47 U.S.C. § 214(e)(1) & (2).

Exhibit B
TRA ETC Application



**Law Offices of
Bennet & Bennet, PLLC**

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Howard S. Shapiro
Donald L. Herman, Jr.
Kelvin L. Reaves
Rebecca L. Murphy

Senior Communications Consultants
Kenneth C. Johnson
G. Kent Larsen

RECEIVED

02 NOV 21 AM 8 37

TN REGULATORY AUTHORITY
DOCKET ROOM

November 18, 2002

VIA OVERNIGHT MAIL

Sara Kyle, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

DOCKET NO.

02-01245

Dear Ms. Kyle:

Enclosed for the Tennessee Regulatory Authority's (TRA) review is one (1) original and thirteen (13) copies of Advantage Cellular Systems, Inc.'s (Advantage) Application to be Designated as an Eligible Telecommunications Carrier (ETC). Also enclosed is a pink copy of Advantage's Application. Please date-stamp and return this pink copy in the enclosed self-addressed, stamped envelope for our records.

Thanks for your quick consideration and please contact me if you have any questions.

Sincerely,

Rebecca L. Murphy

Enclosures

RECEIVED

NOV 19 2002

SARA KYLE, COMMISSIONER
TN PUBLIC SERVICE COMM.

BEFORE THE TENNESSEE REGULATORY AUTHORITY

IN THE MATTER OF THE)
APPLICATION OF ADVANTAGE)
CELLULAR SYSTEMS, INC. FOR)
ELIGIBLE TELECOMMUNICATIONS)
CARRIER STATUS IN TENNESSEE)

Docket No. 02-01245

**APPLICATION OF ADVANTAGE CELLULAR SYSTEMS, INC. TO BE
DESIGNATED AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER**

Pursuant to Sections 214 and 254 of the Communications Act of 1934, *as amended*¹ ("the Act"), on behalf of Advantage Cellular Systems, Inc. ("Advantage"), a Commercial Mobile Radio Service ("CMRS") carrier, its attorneys hereby respectfully request that the Tennessee Regulatory Authority ("TRA") designate Advantage as an Eligible Telecommunications Carrier ("ETC") pursuant to Section 254(c) of the Act.² Advantage seeks ETC status for the entire study area of Dekalb Telephone Cooperative, Inc. d/b/a DTC Communications ("DTC Communications"), a Tennessee rural telephone company. As explained below, Advantage meets the requirements of the Act and the TRA should grant Advantage ETC status.

In support of its Application, Advantage submits the following:

1. Advantage Cellular Systems, Inc. with principal offices at Highway 70 West, P.O. Box 457, Alexandria, TN 37012, Telephone (615) 464-2355; Fax (615) 529-1030, was granted authority to conduct business in Tennessee by order of the Tennessee Secretary of State dated December 20, 1990. Advantage is an affiliate of DTC Communications. Wayne Gassaway is the General Manager of Advantage and can be contacted at the above address and phone number. Advantage has obtained authority to transact business in the state of

¹ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996). The 1996 Act amended the Communications Act of 1934. 47 U.S.C. § 151, et seq. ("the Act"); see 47 U.S.C. §§ 214 & 254.
² 47 U.S.C. § 254.

Tennessee permitted as set forth in the provisions of the Tennessee Code Annotated, Title 48, Chapter 11, Part 309.

2. Pursuant to the Federal Communications Commission's ("FCC") *Report and Order*,³ Section 214(e) of the Act governs whether a telecommunications carrier qualifies as an ETC.⁴ Under this section, a state commission has the authority to designate a common carrier as an ETC if it determines that the carrier has met the requirements of section 214(e)(1). Section 214(e)(1) requires that a common carrier meet the following requirements throughout its entire service area to qualify as an ETC: 1) it must offer services supported by Federal universal service support under Section 254(c) using its own facilities or a combination of its own facilities and resale; and 2) it must advertise the availability of such services and charges, using a media of general distribution. If the carrier meets these requirements and the state commission determines that the grant of ETC status is consistent with the public interest, convenience, and necessity, the carrier will qualify for universal service support. As discussed below, Advantage meets each of the Section 214 requirements.

A. Advantage offers services supported by Federal universal service support under Section 254(c) using its own facilities.⁵ Advantage operates a state-of-the-art wireless CMRS network throughout the DTC Communications study area. Advantage offers a variety of calling plans to approximately 10,500 existing customers.

B. Advantage provides telecommunications services supported under Section 254(c) throughout the entire study area of DTC Communications.⁶

³ *In re Federal-State Joint Board on Universal Service*, Report and Order, FCC 97-157 at ¶¶ 130-136 (rel. May 8, 1997).

⁴ See 47 U.S.C. § 214(e).

⁵ These services are set forth in Section 3.

⁶ See 47 U.S.C. § 254(c).

C. Advantage plans to advertise the availability and price of the list of universal services pursuant to Section 254(c) throughout the area in which it is designated as an ETC. Advantage will advertise using, at a minimum, publication in four newspapers of general circulation including, *The Smithville Review*, *The Middle Tennessee Times*, *The Cannon Courier*, and *The Carthage Courier*, throughout Advantage's entire service area, or by other means as management may direct using good business practices and such guidance as the TRA has or may establish.

3. Section 254(c) of the Act and FCC Rule Section 54.101⁷ establish "core" or designated services that are supported by Federal universal service support mechanisms.⁸ These core services include:

- A. voice grade access to the public switched network;
- B. an amount of local usage free of (additional) charge;
- C. Dual Tone Multi-Frequency signaling or its functional equivalent;
- D. single party service;
- E. access to emergency services;
- F. access to operator services;
- G. access to interexchange service;
- H. access to directory assistance; and
- I. toll limitation services for qualifying low-income consumers on at least one calling plan.

Advantage offers the entire required "core" services listed above.

4. Advantage will offer LifeLine and LinkUp services to qualifying low-income consumers consistent with Federal and state rules, regulations and guidelines.

⁷ 47 C.F.R. § 54.101.

⁸ See 47 U.S.C. § 254(c).

5. Advantage has demonstrated its ability to fulfill its obligations as set forth in this instant application for certification as an ETC. Advantage respectfully submits that its request to be designated as an ETC serves the public interest, convenience, and necessity because it will allow Advantage to ensure that its resources are committed to the provision and preservation of universal service.

Because Advantage meets these requirements and it is consistent with the public interest, convenience, and necessity, the TRA should grant Advantage ETC status and allow it to qualify for universal service support. For the foregoing reasons, Advantage respectfully requests that the TRA designate it as an ETC within its respective service area. Advantage also submits that an expedited grant of this application is in the public interest, convenience, and necessity and consistent with Sections 214 and 254 of the Act.

Respectfully submitted,

ADVANTAGE CELLULAR SYSTEMS, INC.

By: 

Caressa D. Bennet
Rebecca L. Murphy
Bennet & Bennet, PLLC
1000 Vermont Avenue, NW
Tenth Floor
Washington, DC 20005
202-371-1500

Its Attorneys

November 18, 2002

CERTIFICATE OF SERVICE

I, Joy Barksdale, hereby certify that a copy of the foregoing Application of Advantage Cellular Systems, Inc. to be Designated as an Eligible Telecommunications Carrier was served on November 18, 2002, by first-class United States mail, postage prepaid, on the company listed below:

Dekalb Telephone Cooperative, Inc.
d/b/a DTC Communications
P.O. Box 247
111 High Street
Alexandria, TN 37012-0247

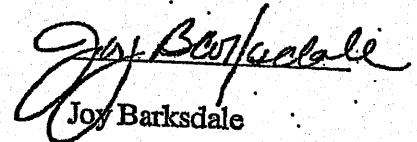

Joy Barksdale

Exhibit C
TRA Conference Summary

TENNESSEE REGULATORY AUTHORITY



The following is a summary of the actions taken by the Tennessee Regulatory Authority at the January 27, 2003, conference:

Miscellaneous Business

1. CSA Rulemaking Oral arguments were presented today by parties in the TRA's CSA Rulemaking proceeding. Among those presenting arguments were: the Southeastern Competitive Carriers Association (SECCA); Time-Warner; BellSouth; Sprint-United; the Consumer Advocate Division (CAD); and Citizens Telecommunications. At the conclusion of the oral arguments, a motion was made to establish a procedural schedule to allow the Consumer Advocate Division the opportunity to file a brief outlining the CAD's positions, to which the remaining parties are to respond by 2/18/03.

2. Internal Procedures for Filing Comments with Federal Agencies Pursuant to the Open Meetings Act, the panel addressed a motion Director Jones introduced during the January 6, 2003, conference agenda regarding the TRA's internal procedures for filing comments with Federal agencies. The panel decided to incorporate the comments of Directors Kyle, Tate and Miller and develop a process by which to satisfy the requirements of the Open Meetings Act.

3. TRA Telephone Service Standard Rules – White Page Directories A Motion was made to draft a proposed rule reflecting the Tennessee Supreme Court's 2002 decision and to subsequently allow parties to respond to the proposed rule. The Tennessee Supreme Court in 2002 affirmed the TRA's ruling that competitors of BellSouth should be included on the cover of and in the White page listings of BellSouth telephone directories. The case is now on appeal with the United States Supreme Court.

Telecommunications Dockets:

*Accepted, in-part, the complaint of Ben Lomand Communications against Citizens Communications Company of Tennessee, d/b/a Frontier Communications of Tennessee, and voted to convene a contested case to address the matter alleging predatory pricing and anti-competitive behavior (Docket 02-01221).

*Application of Advantage Cellular Systems, Inc. to be designated as an Eligible Telecommunications Carrier (ETC), the panel denied the application on the grounds that the applicant is not subject to TRA authority and therefore cannot be designated as an ETC consistent with Federal statutes (Docket 02-01245).

*In the docket to establish "Generally Available Terms and Conditions" for Interconnection, the panel voted 2-1, with Director Jones casting the no vote. Jones cast the no vote on the grounds that the provisions in the "SGAT" (Statement of Generally Available Terms) may be inconsistent with previous TRA decisions (Docket 01-00526).

*Approved the petition of Condo Villas of Gatlinburg d/b/a Foothills Water Property, Inc. to amend its CCN (Docket 02-00986).

*BellSouth's complaint to enforce an interconnection agreement between BellSouth and DeltaCom Communications Inc and request for expedited hearing - the panel voted to accept the complaint of BellSouth and proceed with a hearing and ordered the parties to file discovery briefs. The panel also appointed General Counsel or his designee to serve as Hearing Officer in case (Docket 02-01203).

*Small Telephone Companies Tariff filings regarding reclassification of pay telephone service as required by FCC Docket 96-128: Director Jones moved that the TRA find that § 276(b)(1)(B) applies to the non-BOC payphone service providers and the TRA advance with the docket to determine whether additional action is necessary to ensure compliance with § 276(b)(1)(B). Director Kyle moved that General Counsel or his designee serve as the Pre-Hearing officer (Docket 97-01181).

*Petition of Momentum Business Solutions, Inc. for emergency relief. At the request of Momentum, the Directors voted to leave the complaint open to allow the parties to resolve their disputes (Docket 03-00038).

*Approved 47 Contract Service Arrangements (CSAs). The CSAs were allowed to go into effect pending the outcome of a rulemaking proceeding and conditioned upon BellSouth disclosing customers' identities. (Various dockets).

For more information about today's TRA conference, please contact the office of the Chairman at 615-741-3125.

Exhibit D
TRA Final Order

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

April 11, 2003

IN RE:

APPLICATION OF ADVANTAGE CELLULAR
SYSTEMS, INC. TO BE DESIGNATED AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER

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)
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)

DOCKET NO.
02-01245

ORDER

This matter came before Chairman Sara Kyle, Director Deborah Taylor Tate and Director Pat Miller of the Tennessee Regulatory Authority (the "Authority"), the voting panel assigned in this docket, at the regularly scheduled Authority Conference held on January 27, 2003, for consideration of the *Application of Advantage Cellular Systems, Inc. To Be Designated As An Eligible Telecommunications Carrier* ("Application") filed on November 21, 2002.

Background

Advantage Cellular Systems, Inc. ("Advantage") is a commercial mobile radio service provider ("CMRS") seeking designation as an Eligible Telecommunications Carrier ("ETC") by the Authority pursuant to 47 U.S.C. §§ 214 and 254. In its *Application*, Advantage asserts that it seeks ETC status for the entire study area of Dekalb Telephone Cooperative, Inc., a rural cooperative telephone company. Advantage maintains that it meets all the necessary requirements for ETC status and therefore is eligible to receive universal service support throughout its service area.

The January 27, 2003 Authority Conference

During the regularly scheduled Authority Conference on January 27, 2003, the panel of Directors assigned to this docket deliberated Advantage's *Application*. Of foremost consideration was the issue of the Authority's jurisdiction. The panel unanimously found that the Authority lacked

jurisdiction over Advantage for ETC designation purposes.¹

This conclusion was implicitly premised on Tenn. Code Ann. § 65-4-104, which provides that:

The Authority has general supervisory and regulatory power, jurisdiction and control over all public utilities and also over their property, property rights, facilities, and franchises, so far as may be necessary for the purpose of carrying out the provisions of this chapter.

For purposes of Tenn. Code Ann. § 65-4-104, the definition of public utilities specifically excludes, with certain exceptions not relevant to this case, "[a]ny individual, partnership, copartnership, association, corporation or joint stock company offering domestic public cellular radio telephone service authorized by the federal communications commission."

The Authority's lack of jurisdiction over CMRS providers implicates 47 U.S.C. § 214(e), which addresses the provision of universal service. Where common carriers seeking universal service support are not subject to a state regulatory commission's jurisdiction, 47 U.S.C. § 214(e)(6) authorizes the Federal Communications Commission ("FCC") to perform the ETC designation.²

¹ This finding is not inconsistent with the Authority's decision in *In re: Universal Service Generic Contested Case*, Docket 97-00888, *Interim Order on Phase I of Universal Service*, pp. 53-57 (May 20, 1998), in which the Authority required intrastate telecommunications carriers to contribute to the intrastate Universal Service Fund including telecommunications carriers not subject to authority of the TRA. The decision in Docket No. 97-00888 was based primarily on 47 U.S.C. § 254(f) which authorizes states to adopt regulations not inconsistent with the Federal Communications Commission's rules on Universal Service and specifically requires every telecommunications carrier that provides intrastate telecommunications services to contribute to the preservation and advancement of universal service in that state. The *Interim Order* was issued prior to the effective date of 47 U.S.C. § 214(e)(6).

² 47 U.S.C. § 214(e)(6) states:

(6) Common carriers not subject to state commission jurisdiction

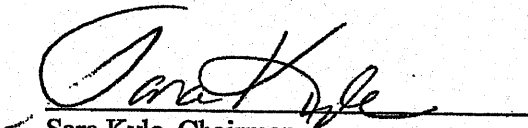
In the case of a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State commission, the Commission shall upon request designate such a common carrier that meets the requirements of paragraph (1) as an eligible telecommunications carrier for a service area designated by the Commission consistent with applicable Federal and State law. Upon request and consistent with the public interest, convenience and necessity, the Commission may, with respect to an area served by a rural telephone company, and shall, in the case of all other areas, designate more than one common carrier as an eligible telecommunications carrier for a service area designated under this paragraph, so long as each additional requesting carrier meets the requirements of paragraph (1). Before designating an additional eligible telecommunications carrier for an area served by a rural telephone company, the Commission shall find that the designation is in the public interest.


As a matter of "state-federal comity," the FCC requires that carriers seeking ETC designation "first consult with the state commission to give the state commission an opportunity to interpret state law."³ Most carriers that are not subject to a state regulatory commission's jurisdiction seeking ETC designation must provide the FCC "with an affirmative statement from a court of competent jurisdiction or the state commission that it lacks jurisdiction to perform the designation."⁴

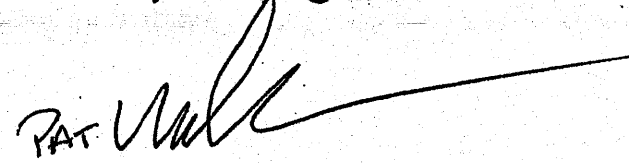
The panel noted that the FCC is the appropriate forum for Advantage to pursue ETC status pursuant to 47 U.S.C. § 214(e)(6). This Order shall serve as the above mentioned affirmative statement required by the FCC.

IT IS THEREFORE ORDERED THAT:

The Application of Advantage Cellular Systems, Inc. To Be Designated As An Eligible Telecommunications Carrier is dismissed for lack of subject matter jurisdiction.


Sara Kyle, Chairman


Deborah Taylor Tate, Director


Pat Miller, Director

³ *In the Matter of Federal-State Joint Bd. on Universal Service*, CC Docket No. 96-45, *Twelfth Report and Order, Memorandum Opinion and Order, and Further Notice of Proposed Rulemaking*, 15 F.C.C.R. 12208, 12264, ¶ 113 (June 30, 2000).

⁴ *See id.* (The "affirmative statement of the state commission may consist of any duly authorized letter, comment, or state commission order indicating that it lacks jurisdiction to perform designations over a particular carrier.")

Docket Number 02-01245
(all filings are in Adobe PDF format)
Telecommunications -- Other

Open

Kyle, Miller, Tate

IN RE: APPLICATION OF ADVANTAGE CELLULAR SYSTEMS, INC. TO BE DESIGNATED AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER.

Date Filed	Title of Document	Company F
Issued: 11/21/02	Application.	Advantage Cellu Systems, Inc.
Issued: 04/11/03	Order.	Tennessee Reg Authority

Use your BACK button to return to the previous page

Exhibit E
Declaration of Wayne Gassaway
Supported Services

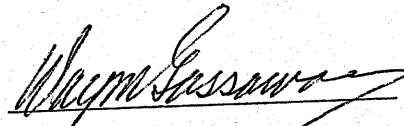
Declaration of Wayne Gassaway Supported Services

I, Wayne Gassaway, do hereby declare under penalty of perjury as follows:

1. I am the authorized representative for Advantage Cellular Systems, Inc. ("Advantage") in charge of Advantage's Petition for Designation as an Eligible Telecommunications Carrier in the State of Tennessee ("Application"). This affidavit is filed in support of the Application.
2. Advantage is the B block licensee providing cellular service in rural Tennessee (Cannon, Tennessee RSA 2, CMA644).
3. As a carrier not subject to state commission jurisdiction in the State of Tennessee, Advantage is seeking designation as an ETC under Section 214(e)(6).
4. Advantage meets the requirements for ETC designation as explained herein.
5. Advantage is a "common carrier" for purposes of obtaining ETC designation pursuant to 47 U.S.C. § 214(e)(1). Section 20.9(a)(7) of the Commission's Rules provides that cellular service is a common carrier service.
6. Advantage currently offers and is able to provide within its licensed service area the services and functionalities identified in 47 CFR § 54.101(a) as more fully described below:
 - a. Voice-grade Access to the Public Switched Telephone Network. Advantage meets this requirement by providing voice-grade access to the public switched telephone network. Through its interconnection arrangements with Bell South, Ben Lomand, DTC Communications, Frontier Communications, and other local exchange carriers ("LECs"), all of Advantage's customers are able to make and receive calls on the public switched telephone network within the specified bandwidth.
 - b. Local Usage. Beyond providing access to the public switched network, an ETC must include local usage as part of a universal service offering. The FCC has not yet quantified a minimum amount of local usage required to be included in a universal service offering, but has initiated a separate proceeding to address this issue. Advantage will meet the local usage requirements by including a variety of local usage plans as part of a universal service offering. Advantage's service includes local usage that allows customers to originate and terminate calls within its local calling area without incurring toll charges.

- c. Dual-Tone, Multi-Frequency ("DTMF") Signaling, or its Functional Equivalent. Advantage currently uses out-of-band digital signaling and in-band multi-frequency ("MF") signaling that is functionally equivalent to DTMF signaling.
- d. Single-Party Service or its Functional Equivalent. "Single-party service" means that only one party will be served by a subscriber loop or access line as opposed to a multi-party line. The FCC concluded that a wireless provider offers the equivalent of single-party service when it offers a dedicated message path for the length of a user's particular transmission. Advantage meets the requirement of single-party service by providing a dedicated message path for the length of all customer calls.
- e. Access to Emergency Services. The ability to reach a public emergency service provider by dialing 911 is a required service in any universal service offering. Advantage is currently providing Phase I Enhanced 911 service in accordance with the Commission's rules. Phase II Enhanced 911 ("E911"), which is required of certain CMRS carriers, includes the capability of providing both automatic numbering information ("ANI") and automatic location information ("ALI"). Advantage has implemented Phase I and currently provides all of its customers with access to emergency service by dialing 911. Further, Advantage has implemented a network-based Phase II system in its service area and is testing it with its local public safety answering point ("PSAP"). Advantage's Phase II application meets the FCC's Phase II accuracy standards and will provide Advantage's universal service customers with the added benefit of location-based safety.
- f. Access to Operator Services. Access to operator services is defined as any automatic or live assistance provided to a consumer to arrange for the billing or completion, or both, of a telephone call. Advantage meets this requirement by providing all of its customers with access to operator services provided by DTC Communications.
- g. Access to Interexchange Service. A universal service provider must offer consumers access to interexchange service to make and receive toll or interexchange calls. Advantage currently meets this requirement by providing all of its customers with the ability to make and receive interexchange or toll calls through direct interconnection arrangements Advantage has with several IXCs.
- h. Access to Directory Assistance. The ability to place a call to directory assistance is a required service offering. Advantage meets this requirement by providing all of its customers with access to directory assistance by dialing "411" or "555-1212."

- i. Toll limitation for qualifying low-income consumers. An ETC must offer either "toll control" or "toll blocking" services to qualifying Lifeline customers at no charge. Once designated as an ETC, Advantage will participate in Lifeline as required, and will provide toll blocking capability in satisfaction of the FCC's requirement. Advantage provides toll blocking services for international calls and customer selected toll calls.
7. Advantage will offer supported services using a combination of its own facilities and the resale of other carriers' services.
8. Advantage will advertise the availability of the supported services.
9. I declare under penalty of perjury that the foregoing is true and correct. Executed on 4-21, 2003.



Wayne Gassaway
Its Authorized Representative

Exhibit F
Local Calling Plans

SA IO	Rate Plan	Old NO	Monthly Access	Overage	Free Min	Old Fm NO	Fm Talk
LNA1	ADV SVR	002	\$12.50	\$\$.55	0	302	\$15.00
LNM1	DEALER PLN	008	\$0	\$.40	240		
LNA2	EMP SAV	010	\$6.25	\$.55	90	310	\$15.00
LNA3	STD EMP	011	\$15.00	\$.30	90	311	\$15.00
LNA4	DIRECTORS	012	\$0.00	\$.55	150	312	\$15.00
LNA5	DTC OFF STA	013	\$55.00	\$.40	130		
LNA6	ACS OFF STA	014	\$0				
LNA7	RADIO	015	\$0.00	\$.55	130		
LNA8	LOCAL SCH	020	\$3.00	\$.25	0		
LNA9	DISPATCH	025	\$15.00	\$.15	0		
LNB1	PREPAID	050	\$0.00				
LNM4	CORP 2 SW	209	\$18.95	\$.24	30	509	\$15.00
LNM3	TN SAVER SW	212	\$29.95	\$.30	110	512	\$15.00
LNB2	TN CORP ONE	217	\$17.95	\$.20	125	517	\$15.00
LNB3	TN CORP TWO	218	\$9.95	\$.20	125		
LNB4	CORP 65	219	\$18.95	\$.24	65		
LNM2 *	EMP 400 1000	221	\$25.00	\$.20	400	521	\$10.00
LNO7 *	EMP 650 1000	222	\$40.00	\$.20	650	522	\$10.00
LNO8 *	EMP 900 1000	223	\$59.00	\$.20	900	523	\$10.00
LNO9 *	EMP 1100 1000	224	\$75.00	\$.20	1100	524	\$10.00
LNB5	FLAT 995	230	\$9.95	\$.35	0		
LNB6	EMP SW	240	\$9.95	\$.20	125	540	\$10.00
LNB7	EMP SW	243	\$19.95	\$.20	250	543	\$10.00
LNB8	DIRECTOR SW	245	\$0.00	\$.35	250	545	\$10.00
LNB9	DEALER SW	258	\$0.00	\$.25	150		
LNC1	ANALOG 150	275	\$25.00	\$.25	125	575	\$15.00
LND3	CORP 250	332	\$24.95	\$.20	250	532	\$15.00
LND4	CORP 400	333	\$29.95	\$.20	400	533	\$15.00
LND5	CORP 600	334	\$37.95	\$.20	600	534	\$15.00
LND6	CORP 900	335	\$49.95	\$.20	900	535	\$15.00
LND7	CORP 1200	336	\$69.95	\$.20	1200		
LNJ6	CORP 125 W/NW		\$22.90	\$.20	125		\$15.00
LNJ7	CORP 250 W/NW		\$29.90	\$.20	250		\$15.00
LNJ8	CORP 400 W/NW		\$34.90		400		\$15.00
LNJ9	CORP 600 W/NW		\$42.90		600		\$15.00
LNG1	CORP 900 W/NW		\$54.90		900		\$15.00
LNG2	CORP 1100 W/NW		\$74.90		1100		\$15.00
LNG4	DIGITAL 30	610	\$18.95	\$.39	30	710	\$15.00
LNG5	DIGITAL 250	615	\$35.00	\$.25	400	715	\$15.00
LNG6	DIGITAL 400	620	\$50.00	\$.25	650	720	\$15.00
LNG7	DIGITAL 700	623	\$50.00	\$.25	700		
LNG8	DIGITAL 600	625	\$69.00	\$.25	900	725	\$15.00

LNG9	DIGITAL 800	630	\$85.00	\$0.25	1100	730	\$15.00
SA NO	Rate PLAN	Old NO	Monthly Access	Overage	Free Min	Old Fm NO	Fm Talk
LNH2	DIGITAL 1000	635	\$99.00	\$0.25	1400	735	\$15.00
LNH1	DIGITAL 1800	633	\$125.00	\$0.25	1800	733	\$15.00
LNH3	DIGITAL 2000	637	\$140.00	\$0.25	2000	737	\$15.00
LNH4	DIGITAL 1400 SW	640	\$149.00	\$0.25	1400	740	\$15.00
LNH5	DIGITAL 3000 SW	645	\$300.00	\$0.20	3000	745	\$25.00
LNH6	400 W/2000	650	\$35.00	\$0.35	400	750	\$15.00
LNH7	650 W/2000	655	\$50.00	\$0.35	650	755	\$15.00
LNH8	900 W/2000	660	\$69.00	\$0.35	900	760	\$15.00
LNH9	1100 W/2000	665	\$85.00	\$0.35	1100	765	\$15.00
LNI1	1400 W/2000	670	\$99.00	\$0.35	1400	770	\$15.00
LNK8	2200 W/2000	775	\$150.00	\$0.25			
LNI1 *	600 NW W/3000 NT/WK		\$39.95	\$0.35	600		\$15.00
LNI2 *	900 NW W/3000 NT/WK		\$49.95	\$0.35	900		\$15.00
LNI3 *	1200 NW W/3000 NT/WK		\$59.95	\$0.35	1200		\$15.00
LNI4 *	1500 NW W/3000 NT/WK		\$79.95	\$0.35	1500		\$15.00
LNI5 *	1800 NW W/3000 NT/WK		\$104.95	\$0.35	1800		\$15.00
LNI2 *	400 W/3000	671	\$35.00	\$0.35	400	771	\$15.00
LNI3 *	650 W/3000	672	\$50.00	\$0.35	650	772	\$15.00
LNI4 *	900 W/3000	673	\$69.00	\$0.35	900	773	\$15.00
LNI5 *	1100 W/3000	674	\$85.00	\$0.35	1100	774	\$15.00
LNI6 *	1400 W/3000	676	\$99.00	\$0.35	1400	776	\$15.00
LNL1	Nation 100	990	\$50.00	\$0.35			
LNL2	Nation 1500	995	\$150.00	\$0.25			
LNL3	Nation 1100	997	\$125.00	\$0.25			
LNL4	Nation 675	998	\$99.00	\$0.25			
LNL5	Nation 1000	999	\$120.00	\$0.25			

Nights/Weekends are built into the rate plan and share across the account.

ZONE

LNL6	1001	ZONE 1	\$29.95
LNL7	1002	ZONE 2	\$29.95
LNL8	1003	ZONE 3	\$29.95

Exhibit G
Map of Service Area

SA IO	Rate Plan	Old NO	Monthly Access	Overage	Free Min	Old Fm NO	Fm Talk
LNA1	ADV SVR	002	\$12.50	\$.55	0	302	\$15.00
LNM1	DEALER PLN	008	\$0	\$.40	240		
LNA2	EMP SAV	010	\$6.25	\$.55	90	310	\$15.00
LNA3	STD EMP	011	\$15.00	\$.30	90	311	\$15.00
LNA4	DIRECTORS	012	\$0.00	\$.55	150	312	\$15.00
LNA5	DTC OFF STA	013	\$55.00	\$.40	130		
LNA6	ACS OFF STA	014	\$0				
LNA7	RADIO	015	\$0.00	\$.55	130		
LNA8	LOCAL SCH	020	\$3.00	\$.25	0		
LNA9	DISPATCH	025	\$15.00	\$.15	0		
LNB1	PREPAID	050	\$0.00				
LNM4	CORP 2 SW	209	\$18.95	\$.24	30	509	\$15.00
LNM3	TN SAVER SW	212	\$29.95	\$.30	110	512	\$15.00
LNB2	TN CORP ONE	217	\$17.95	\$.20	125	517	\$15.00
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LNJ9	CORP 600 W/NW		\$42.90		600		\$15.00
LNG1	CORP 900 W/NW		\$54.90		900		\$15.00
LNG2	CORP 1100 W/NW		\$74.90		1100		\$15.00
LNG4	DIGITAL 30	610	\$18.95	\$.39	30	710	\$15.00
LNG5	DIGITAL 250	615	\$35.00	\$.25	400	715	\$15.00
LNG6	DIGITAL 400	620	\$50.00	\$.25	650	720	\$15.00
LNG7	DIGITAL 700	623	\$50.00	\$.25	700		
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LNJ3 *	1200 NW W/3000 NT/WK		\$59.95	\$.35	1200		\$15.00
LNJ4 *	1500 NW W/3000 NT/WK		\$79.95	\$.35	1500		\$15.00
LNJ5 *	1800 NW W/3000 NT/WK		104.95	\$.35	1800		\$15.00
LNI2*	400 W/3000	671	\$35.00	\$.35	400	771	\$15.00
LNI3*	650 W/3000	672	\$50.00	\$.35	650	772	\$15.00
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LNL1	Nation 100	990	\$50.00	\$.35			
LNL2	Nation 1500	995	\$150.00	\$.25			
LNL3	Nation 1100	997	\$125.00	\$.25			
LNL4	Nation 675	998	\$99.00	\$.25			
LNL5	Nation 1000	999	\$120.00	\$.25			

Nights/Weekends are built into the rate plan and share across the account.

ZONE

LNL6	1001	ZONE 1	\$29.95
LNL7	1002	ZONE 2	\$29.95
LNL8	1003	ZONE 3	\$29.95

Exhibit G
Map of Service Area

Advantage Cellular Systems, Inc.

cell -102 dBm capture areas, by cell
& cell name for PSAP 911 planning

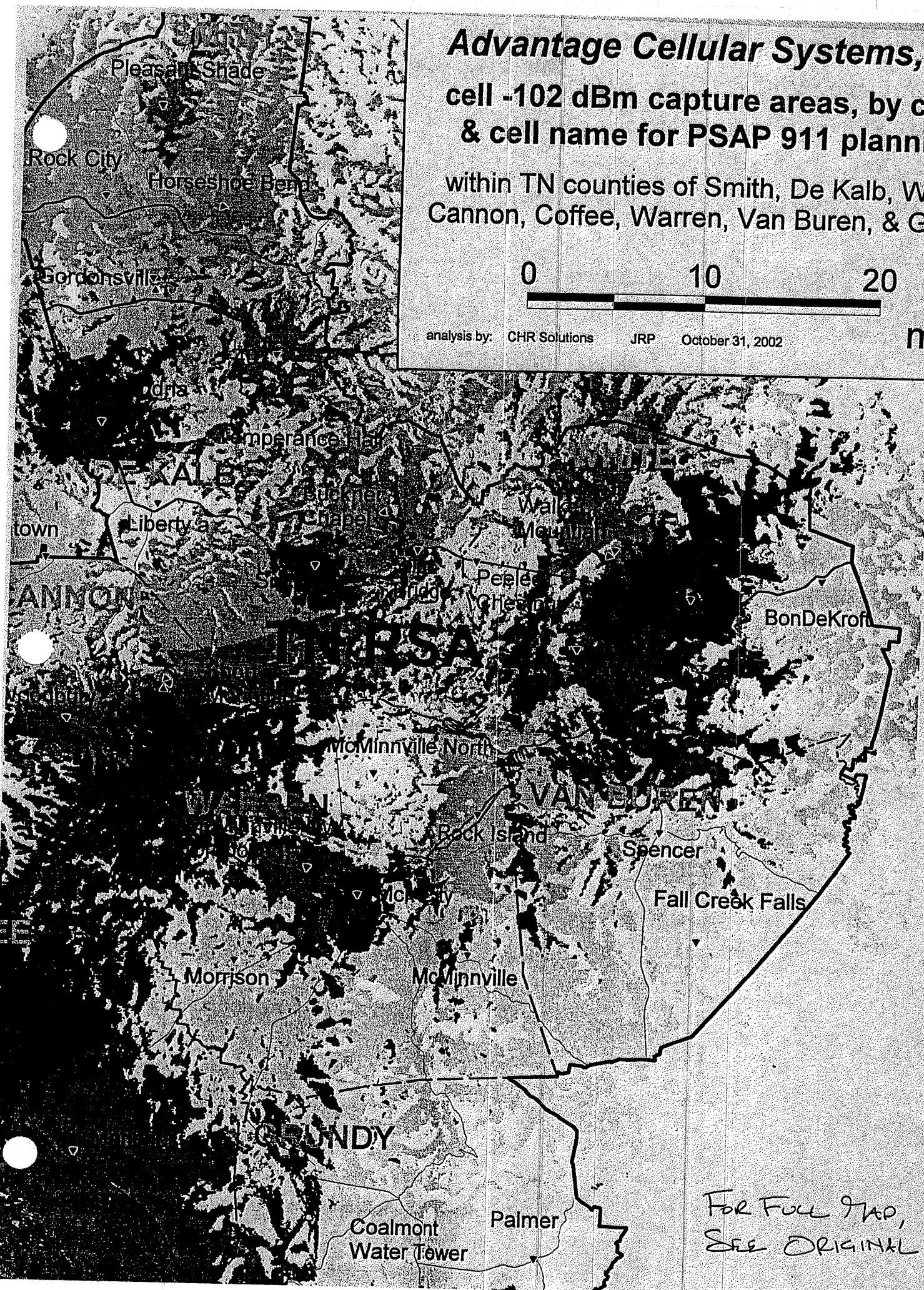
within TN counties of Smith, De Kalb, Walker,
Cannon, Coffee, Warren, Van Buren, & Grundy

0 10 20



analysis by: CHR Solutions JRP October 31, 2002

m



For Full Map,
See Original

Exhibit H
Example of Customers' Savings

Advantage Customer Savings

Customer subscribing to Advantage 400 Anytime, 3,000 Night / Weekend plan using 244 toll MOU per month breaks even with ILEC rates as noted.

Customer subscribing to Advantage 400 Anytime, 3,000 Night / Weekend plan using 680 toll MOU per month saves **\$30.55** compared to ILEC calling with rates as noted.

Customer subscribing to Advantage 900 Anytime, 3,000 Night / Weekend plan using 1,560 toll MOU per month saves **\$58.15** compared to ILEC calling with rates as noted.

400 Anytime			
	Breakeven	Savings	
	No N/W	Nights / Weekends (N/W)	
		20% Toll	40% Toll
Total MOU	400	3,400	3,400
Toll MOU	244	680	1,360
Local	156	2,720	2,040
Rate	\$35.00	\$35.00	\$35.00
Toll Flat	\$4.95		
Toll Per MOU	\$0.07		
LEC Cost [1]	\$35.00	\$65.55	\$113.15
Wireless Savings	\$0.00	(\$30.55)	(\$78.15)

900 Anytime			
	Breakeven	Savings	
	No N/W	Nights / Weekends (N/W)	
		20% Toll	40% Toll
Total MOU	900	3,900	3,900
Toll MOU	729	780	1,560
Local	171	3,120	2,340
Rate	\$69.00	\$69.00	\$69.00
Toll Flat	\$4.95		
Toll Per MOU	\$0.07		
LEC Cost [1]	\$69.00	\$72.55	\$127.15
Wireless Savings	\$0.00	(\$3.55)	(\$58.15)

[1] LEC Cost Assumes \$7.00 Local Rate, \$6.00 SLC, \$4.95 Flat Rate Toll Buy-Down and Toll MOU as shown at 7 cents per minute

Exhibit I
Dallas News Article

SBC is latest to offer unlimited long-distance calls

Options package might not be the best deal for everyone, experts say

04/02/2003

By VIKAS BAJAJ / The Dallas Morning News

Talk just keeps getting cheaper.

SBC Communications Inc., the leading local-phone company in Texas, launched a new calling plan Tuesday that lets customers place unlimited long-distance calls for a flat monthly fee. For \$20 a month, SBC's National Connections plan is available to customers who also buy its local-phone service, voice mail, caller ID and two other features. The move, which is similar to plans introduced in recent months by other phone companies, represents another marker in a trend that some experts call "the death of distance."

Talking with your mother in San Francisco is becoming no more expensive than talking with your mother-in-law in Frisco.

"The tremendous success of the technology has so driven down cost that prices have just dropped drastically until, when it comes to long-distance, it doesn't pay to bill per individual call," said Dr. A. Michael Noll, a professor at the University of Southern California's Annenberg School of Communications.

But experts caution consumers to carefully consider whether an unlimited plan would benefit them.

"It's just like the all-you-can-eat restaurant," said Janee Briesemeister, a senior policy analyst at Consumers Union in Austin. "It's definitely a good deal for the hungry football team that comes in after practice, but for most of us it may be a fair deal. The restaurant has to make money."

Consider this: In 2000, according to the most recent data available from the Federal Communications Commission, the average U.S. household made 116 minutes of long-distance calls a month. If a family bought SBC's \$20 plan and didn't chatter any more than that, it would effectively pay 17 cents a minute, much higher than if the family stuck with the company's regular 7-cent-a-minute plan.

Ms. Briesemeister also warns customers to be wary of signing long-term contracts and to pay attention to rate changes once the deals expire. In other cases, consumers may still end up paying more because companies require them to buy add-ons such as caller ID to get unlimited long-distance.

It's likely consumers who buy an unlimited long-distance plan will talk more because they would be less inhibited, Dr. Noll said, but companies are "also hoping that you are not going to speak that much."

Cellular's effect

Much of the credit for unlimited calling plans belongs to cellular phone companies, some of which dropped extra fees for long-distance in the 1990s. As those plans swelled to include hundreds of minutes of monthly usage, many Americans started picking up their mobile phones to place long-distance calls – even when they're at home.

"Once wireless changed the consumer perception where they didn't see any kind of difference between local calls and long-distance, these wireline companies were compelled to come up with these plans," said Imran Khan, an analyst with research firm Frost & Sullivan.

Those changes in the wireless business prompted AT&T Corp. in February 2002 to let customers make unlimited long-distance calls over landlines to other AT&T customers for \$19.95 a month. That was followed two months later by MCI's Neighborhood plan that offered unlimited local and long-distance for \$49.95 to \$59.95 a month, depending on the state.

Locals dragged in

Now come the local-phone giants: SBC, Verizon Communications Inc. and BellSouth Corp. In the last few years, regulators have allowed them into the long-distance business. (Verizon, which has been selling unlimited long-distance plans on the East Coast, said it will offer a similar package in Texas in late spring or early summer.)

The local-phone giants have been reluctantly dragged into offering unlimited plans, Mr. Khan said, because they are losing millions of customers to wireless services as well as to AT&T and MCI.

Other competitors, such as EarthLink Inc. and Vonage Holding Corp., are also battling for phone companies' customers by selling broadband users unlimited Internet-based local and long-distance calling for \$40 a month.

"They are facing such a level of competition that they don't have a choice but to offer this stuff," Mr. Khan said.

In 2002, SBC lost 3.2 million residential phone lines, 9.1 percent of its total. Verizon's residential business shrank 1.1 million lines, or 2.8 percent. SBC concedes it has had to respond to wireless companies and MCI, and it is hoping to lock in customers by bundling unlimited calling into more lucrative packages that include features such as voice mail. The hope is a customer who buys more is less likely to switch just because someone offers them a slightly better deal. "We are able to meet our competition in the marketplace with similar, and in most cases, better plans that are more flexible," said Michael Grasso, SBC's executive director of Internet marketing. "And in addition to that, we want to make sure that those customers who have the most products and services from SBC get the best discounts."

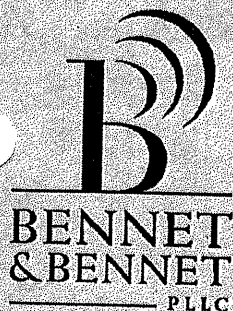
But it's unclear if the unlimited calling plans can bring back many Americans who have gone wireless full time. The cellular industry estimates that 3 percent to 5 percent of its 140.8 million subscribers use a mobile phone as their only phone, and many others rely on it as their primary means of communication.

In 2002, the average cellular phone user talked for 366 minutes a month, up from 296 minutes the year before, according to the Cellular Telecommunications and Internet Association.

It'll be hard for wired phone companies to fight that kind of growth, Mr. Khan said. "It's kind of like trying to get a greater share of a sinking boat."

E-mail vbajaj@dallasnews.com

Exhibit J
High Cost Certification



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Bennet & Bennet, PLLC

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Donald L. Herman, Jr.
Rebecca L. Murphy

Senior Communications Consultants
Kenneth C. Johnson
G. Kent Larsen

April 22, 2003

VIA HAND DELIVERY

Marlene H. Dortch, Secretary
Office of Managing Director
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

VIA FACSIMILE AND HAND DELIVERY

Ms. Irene Flannery
USAC
2120 L Street, NW
Suite 600
Washington, DC 20037

**Re: Advantage Cellular Systems, Inc.
Certification for High Cost Loop Support
CC Docket No. 96-45**

Dear Ms. Dortch and Ms. Flannery,

This certification is submitted on behalf of Advantage Cellular Systems, Inc. ("Advantage") in accordance with Federal Communications Commission's Rule Sections 54.313 and 54.314. On behalf of Advantage, I hereby certify under penalty of perjury that all high-cost support provided to Advantage will be used only for the provision, maintenance and upgrading of facilities and services for which the support is intended pursuant to Section 254(e) of the Telecommunications Act of 1996.

Wayne Gassaway
Advantage Cellular Systems, Inc.


Its Authorized Representative

Date 4-21-03

Subscribed, Sworn to and Acknowledged before me this 21st day of April, 2003.

Phyllis McKinney
NOTARY PUBLIC

My Commission expires:

1-30-2006

Exhibit K
Study Areas & Exchanges

Exhibit K
Study Areas & Exchanges
List 1

Advantage does not serve the entire study areas of the following telephone companies but Advantage's service does cover the following exchanges in their entirety:

<u>Telephone Company</u>	<u>Exchange</u>
BellSouth	Manchester
Ben Lomand	Bon De Croft Centertown Dibrell Doyle Hillsboro McMinnville Rural Old Zion Pelham Rock Island Sparta Rural Spencer Viola
DTC	Gordonsville Liberty Smithville Temperance Hall
Frontier	McMinnville Rural Sparta

Exhibit K
Study Areas & Exchanges
List 2

Advantage does not serve the entire study areas of the following telephone companies and Advantage's service covers only portions of the following exchanges:

<u>Telephone Company</u>	<u>Exchange</u>
BellSouth	Tullahoma
Ben Lomand	Beech Grove Beersheba/Altamont Laager Monteagle Tracy City
Bledsoe	Fall Creek Falls
DTC	Alexandria Auburntown Milton Woodbury Woodland
North Central	Defeated Pleasant Shade
Twin Lakes	Baxter Chestnut Mound

Exhibit L
Declaration of Wayne Gassaway

Declaration of Wayne Gassaway

I, Wayne Gassaway, do hereby declare under penalty of perjury as follows:

1. I am the authorized representative for Advantage Cellular Systems, Inc. ("Advantage") in charge of Advantage's Petition for Designation as an Eligible Telecommunications Carrier in the State of Tennessee ("Application"). This affidavit is filed in support of the Application.
2. I have reviewed the foregoing Petition and the facts stated herein, of which I have personal knowledge, are true and correct to the best of my knowledge.
3. To the best of my knowledge, the Company referred to in the foregoing Petition, including all officers, directors, or persons holding 5% or more of the outstanding stock or shares (voting and/or non voting) of the applicant as specified in Section 1.2002(b) of the Federal Communications Commission's (FCC) Rules are not subject to a denial of federal benefits, including FCC benefits, pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.
4. I declare under penalty of perjury that the foregoing is true and correct. Executed on 4-21, 2003.



Wayne Gassaway
Its Authorized Representative

CERTIFICATE OF SERVICE

I, Joy Barksdale, hereby certify that a copy of the foregoing Application of Advantage Cellular Systems, Inc. to be Designated as an Eligible Telecommunications Carrier was served on May 9, 2003, by first-class United States mail, postage prepaid, on the company listed below:

Dekalb Telephone Cooperative, Inc.
d/b/a DTC Communications
P.O. Box 247
111 High Street
Alexandria, TN 37012-0247

BellSouth Telecommunications Inc.
26941 Cabot Road #134
Laguna Hills, CA 92653


Ben Lomand Rural Telephone Cooperative Inc.
311 N Chancery St
P O Box 670
McMinnville, TN 37111

Bledsoe Telephone Cooperative Inc.
203 Cumberland Avenue
P.O. Box 609
Pikeville, TN 37367-0609

Citizens Telecommunications Company of Tennessee d/b/a Frontier Communications
250 South Franklin Street
Cookeville, TN 38501

North Central Telephone Cooperative Inc.
872. E. Hwy. 52 Bypass
PO Box 70
Lafayette, TN 37083

Twin Lakes Telephone Cooperative Corporation
201 Gore Street
PO Box 67
Gainesboro, TN 38562-0067


Joy Barksdale